

Service Date: May 31, 2013

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

|  |   |                       |
|--|---|-----------------------|
| IN THE MATTER OF NorthWestern Energy's | ) | REGULATORY DIVISION   |
| 2011-2012 Electricity Supply Tracker   | ) | DOCKET NO. D2012.5.49 |

## **NOTICE OF COMMISSION ACTION**

## Procedural History

On June 1, 2012, NorthWestern Corporation d/b/a NorthWestern Energy (NorthWestern) filed its annual Electricity Supply Tracker (Application) with the Montana Public Service Commission (Commission).

The Commission issued a *Notice of Application and Intervention Deadline* on June 15, and granted intervention to the Montana Consumer Counsel (MCC) and the Human Resource Council, District XI and Natural Resources Defense Council (HRC/NRDC) on July 11, 2012. On July 27, 2012, the Commission issued *Procedural Order 7219b*, which it suspended on October 1 to allow time for the completion of informal discovery.

On November 16, 2012, the Commission directed NorthWestern to file supplemental testimony regarding the comprehensive demand-side management (DSM) Program Evaluation (DSM Program Evaluation) performed by SBW Consulting, Inc. (SBW), and the efficient scheduling and dispatching of electricity supply resources. On November 21, 2012, the Commission issued *Modified Procedural Order 7219e*, setting a deadline of March 22, 2013 for intervenors' testimony.

On March 22, 2013, MCC filed the *Direct Testimony of Jaime Stamatson, George L. Donkin and Dr. John W. Wilson*, and HRC/NRDC filed the *Direct Testimony of Dr. Thomas M. Power*. NorthWestern filed *Rebuttal Testimony* on May 3, 2013.

On May 21, 2013, the Commission issued a *Notice of Public Hearing*, setting a public hearing date of June 11, 2013.

### **Commission Action**

PLEASE TAKE NOTICE that on May 30, 2013, the Commission directed counsel of record to address certain issues that have not been adequately addressed. *See* Mont. Code Ann. § 69-2-102 (2011). The issues should be addressed by introducing into evidence filings admitted in previous Commission proceedings,<sup>1</sup> data responses filed in this proceeding, and live testimony at the public hearing beginning June 11, 2013.<sup>2</sup> The following issues were identified by the Commission as requiring the introduction of additional evidence to create a record that is sufficient and adequate:

- Whether the lost revenue adjustment mechanism (LRAM) should be discontinued, maintained in its current form, or somehow modified.
- Whether the net-to-gross adjustment factor of 1.0 to account for the effects of free-ridership and spillover of demand-side management programming should be accepted or in some way modified.
- Whether the Commission should offer policy direction on the continued incentivization of energy-efficient lighting, in light of federal mandates regarding the availability of incandescent bulbs and the advancement in market availability and saturation of energy-efficient light bulbs; and, if the Commission does offer guidance, what that should be.

Furthermore, the Commission observed that the evidentiary record would not be adequate or sufficient without the introduction of data requests and responses related to any issue addressed in the pre-filed testimony (including testimony filed with the initial application and supplemental testimony). Therefore, the Commission requested counsel of record to introduce at hearing data requests and responses filed in this proceeding that relate to any issue addressed by a party in pre-filed testimony.

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<sup>1</sup> Previous proceedings may include but are not limited to electricity supply tracker proceedings. *See* Dockets D2011.5.38, D2010.5.50, D2009.5.62 (consolidated with D2008.5.45), D2007.5.46 (consolidated with D2006.5.66), D2005.5.88, & D2004.6.90 (consolidated with D2003.6.77).

<sup>2</sup> The parties remain subject to the *Procedural Order*, which requires them to identify in pre-hearing memoranda the evidence they intend to introduce at hearing:

Unless the parties agree to file jointly, each party must file and serve a pre-hearing memorandum listing the following information regarding the hearing . . . (4) exhibits and discovery it intends to introduce. . . . If a party intends to introduce a discovery response, it must identify the number of the request, the responding witness, and the issue addressed.

Ord. 7219e ¶ 25 (Nov. 21, 2012).

BY THE MONTANA PUBLIC SERVICE COMMISSION

W. A. (BILL) GALLAGHER, Chairman

BOB LAKE, Vice Chair

KIRK BUSHMAN, Commissioner

TRAVIS KAVULLA, Commissioner

ROGER KOOPMAN, Commissioner